

SECRET

JOURNAL

OFFICE OF LEGISLATIVE COUNSEL

Monday - 12 May 1975

25X1 [REDACTED]

25X1 1. [REDACTED] Called Hilda Schreiber, OMB, on H.R. 3650, a bill on rehiring Federal annuitants. I mentioned that the bill would eliminate the monetary advantage which now accrues to the rehiring agency, and that this would add significantly to the Agency's costs in reemploying annuitants. She said this was the view of all Government agencies, but that the Administration is supporting the bill provided it is amended to provide that the agency deposits go into the general fund rather than the retirement fund. She added that she didn't think the bill was going to go anywhere.

25X1 2. [REDACTED] Saw Charles Lombard, Senate Committee on Aeronautical and Space Sciences staff, and he will inform Senators Barry Goldwater (R., Ariz.) and Paul J. Fannin (R., Ariz.) of the

25X1 [REDACTED] Lombard was concerned with this trend

25X1 [REDACTED]

25X1 3. [REDACTED] Met with David Keaney, Senate Foreign Relations Committee staff, and provided him two more country studies in the Law of the Sea series (USSR and Ghana). Keaney assured me that all the studies are being kept in the Capitol office and treated as Top Secret material, and that Senators are not permitted to take the material from the room. Keaney, who is the house Counsel for Law of the Sea matters, said the series is absolutely the finest thing out on the subject and that Senator Clifford P. Case (R., N.J.) has made special use of the material. If the need arises, Keaney prepares a summary of the studies using the same classification for the background of the Senators in meeting their responsibilities.

25X1 4. [REDACTED] Met with Representative Richard Schulze (R., Pa.) concerning the upcoming session at Headquarters with the Freshman Republicans. He lamented the abuse being heaped on the Agency and felt all of those who would be attending the session are supportive of the Agency.

25X1 [REDACTED]

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Acting Director of Personnel
5E 58, Headquarters

EXTENSION

NO.

DATE

1 MAY 1975

TO: (Officer designation, room number, and building)

DATE

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Deputy Director for
Administration
7D 26, Headquarters

RECEIVED

FORWARDED

to 5:

2.

3.

4.

5. Legislative Counsel
7D 43, Headquarters

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The purpose of this bill is to require the employing agency to pay the full salary of the person hired and not merely the difference between the annuity and the salary of the position. This measure will require agencies who rehire Federal annuitants to deposit the savings realized to their budget from this practice into the Treasury of the United States to the credit of the (Civil Service) Fund under such procedures as the Comptroller General of the United States shall prescribe.

This amendment would eliminate immediately the monetary advantage which now accrues to the rehiring agency. It should be noted that this would add significantly to the Agency's costs in reemploying annuitants.


Acting Director of Personnel

25X1

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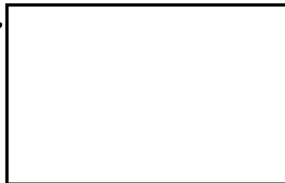
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TRANSMITTAL SLIP 23 April 1975

TO: OP

ROOM NO. BUILDING

REMARKS:

For your information, hearings are beginning on this bill. Please let us know if there are any adverse effects on the Agency.



FROM: Office of Legislative Counsel

ROOM NO. BUILDING EXTENSION

Approved For Release 2005/12/14 : CIA-RDP77M00144R001100190025-6

94TH CONGRESS
1ST SESSION

H. R. 3650

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1975

Mr. HENDERSON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To clarify the application of section 8344 of title 5, United States Code, relating to civil service annuities and pay upon reemployment, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That (a) section 8344 (a) of title 5, United States Code, is
4 amended to read as follows:

5 “(a) If an annuitant receiving annuity from the Fund,
6 except—

7 “(1) a disability annuitant whose annuity is termi-
8 nated because of his recovery or restoration of earning
9 capacity;

1 “(2) an annuitant whose annuity, based on an in-
2 voluntary separation (other than an automatic separation
3 or an involuntary separation for cause on charges of mis-
4 conduct or delinquency), is terminated under subsection
5 (b) of this section;

6 “(3) an annuitant whose annuity is terminated
7 under subsection (c) of this section; or

8 “(4) a Member receiving annuity from the Fund;
9 becomes employed in an appointive or elective position,
10 his service on and after the date he is so employed is cov-
11 ered by this subchapter. Deductions for the Fund may not
12 be withheld from his pay. An amount equal to the annuity
13 allocable to the period of actual employment shall be de-
14 ducted from his pay, except for lump-sum leave payment
15 purposes under section 5551 of this title. The amounts so
16 deducted shall be deposited in the Treasury of the United
17 States to the credit of the Fund under such procedures as
18 the Comptroller General of the United States shall prescribe.
19 If the annuitant serves on a full-time basis, except as Presi-
20 dent, for at least 1 year, or on a part-time basis for periods
21 equivalent to at least 1 year of full-time service, in employ-
22 ment not excluding him from coverage under section 8331
23 (1) (i) or (ii) of this title—

24 “(A) his annuity on termination of employment is
25 increased by an annuity computed under section 8339

1 (a), (b), (d), (e), (h), and (i) of this title as may
2 apply based on the period of employment and the basic
3 pay, before deduction, averaged during that employ-
4 ment; and

5 “(B) his lump-sum credit may not be reduced by
6 annuity paid during that employment.

7 If the annuitant is receiving a reduced annuity as provided
8 in section 8339 (j) or section 8339 (k) (2) of this title, the
9 increase in annuity payable under subparagraph (A) of this
10 subsection is reduced by 10 percent and the survivor annuity
11 payable under section 8341 (b) of this title is increased by
12 55 percent of the increase in annuity payable under such sub-
13 paragraph (A), unless, at the time of claiming the increase
14 payable under such subparagraph (A), the annuitant noti-
15 fies the Commission in writing that he does not desire the
16 survivor annuity to be increased. If the annuitant dies while
17 still reemployed, the survivor annuity payable is increased as
18 though the reemployment had otherwise terminated. If the
19 described employment of the annuitant continues for at least
20 5 years, or the equivalent of 5 years in the case of part-time
21 employment, he may elect, instead of the benefit provided
22 by subparagraph (A) of this subsection, to deposit in the
23 Fund an amount computed under section 8334 (c) of this
24 title covering that employment and have his rights redeter-
25 mined under this subchapter. If the annuitant dies while still

1 reemployed and the described employment had continued for
2 at least 5 years, or the equivalent of 5 years in the case of
3 part-time employment, the person entitled to survivor an-
4 nuity under section 8341 (b) of this title may elect to de-
5 posit in the Fund and have his rights redetermined under
6 this subchapter.”.

7 (b) Section 8344 of title 5, United States Code, is
8 amended—

9 (1) by redesignating subsections (b) and (c)
10 thereof as subsections (d) and (e), respectively; and

11 (2) by inserting immediately after subsection (a)
12 thereof the following new subsections:

13 “(b) If an annuitant whose annuity is based on an
14 involuntary separation (other than an automatic separation
15 or an involuntary separation for cause or charges of miscon-
16 duct or delinquency) is reemployed in a position in which
17 he is subject to this subchapter, payment of the annuity ter-
18 minates on reemployment.

19 “(c) If an annuitant is appointed by the President to a
20 position in which he is subject to this subchapter, payment
21 of the annuity terminates on reemployment.”.

22 (c) Section 8344 (d) of title 5, United States Code,
23 as redesignated by this Act, is amended by striking out the
24 last sentence.

25 (d) Section 8339 (f) (2) (C) of title 5, United States

1 Code, is amended by striking out "8344 (b) (1)" and insert-
2 ing in lieu thereof "8344 (d) (1)".

3 SEC. 2. Section 8332 (j) of title 5, United States Code,
4 is amended—

5 (1) by striking out in the first sentence " , except"
6 and inserting in lieu thereof " (except"; and

7 (2) by inserting in the first sentence, immediately
8 after "civilian position," the following: "or military
9 service performed by an individual who, for purposes of
10 accepting an appointment by the President to a position
11 requiring Senate confirmation, obtained a discharge or
12 separation prior to becoming entitled to retired pay on
13 account of such military service)".

14 SEC. 3. (a) Except as provided under subsection (b)
15 of this section, the amendments made by this Act shall be-
16 come effective on the date of enactment of this Act and shall
17 apply to annuitants serving in appointive or elective positions
18 on and after the date of enactment of this Act.

19 (b) The amendment made by subsection (c) of the first
20 section of this Act shall become effective on the date of enact-
21 ment of this Act but shall not apply to any annuitant reem-
22 ployed prior to the date of enactment of this Act.

94TH CONGRESS
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H. R. 3650

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By Mr. HENDERSON

FEBRUARY 25, 1975

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